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COMMISSION STAFF WORKING DOCUMENT

**Annex to the
COMMUNICATION FROM THE COMMISSION TO THE COUNCIL, THE
EUROPEAN PARLIAMENT, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE, THE COMMITTEE OF THE REGIONS AND THE EUROPEAN
CENTRAL BANK
Seventh Report on the practical preparations for the future enlargement of the euro
area**

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Seventh Report on the practical preparations for the future enlargement of the euro area

1. INTRODUCTION

This Working Paper provides for detailed information on the state of the practical preparations for the introduction of the euro in the Member States which yet have to adopt the euro.

Section 2 of this paper summarises the situation in each of the countries concerned. Section 3 presents the state of public opinion with respect to the euro. Annex 1 provides an overview on how the countries concerned respect the provisions of the Commission Recommendation of 10 January 2008 on measures to facilitate future changeovers to the euro (2008/78/EC) built on the experience acquired in the course of the introduction of euro cash in 2002, 2007 and 2008. Finally, Annex 2 gives a synoptic overview of the state of the national changeover preparations.

The preparations in Slovakia which aims at adopting the euro on 1 January 2009 are addressed in detail in the main text of the Commission's Seventh report on the practical preparations for the future enlargement of the euro area¹.

2. PREPARATIONS AT NATIONAL LEVEL

2.1. Bulgaria

Bulgaria has not set a target date for the adoption of the euro. The practical preparations for the introduction of the euro have not yet started.

¹ Six previous reports on this subject were published between November 2004 and November 2007. See: COM(2004)748 of 10 November 2004; COM(2005)545 of 4 November 2005; COM(2006)322 of 22 June 2006; COM(2006)671 of 10 November 2006; COM(2007)434 of 16 July 2007; COM(2007)756 of 27 November 2007.

2.2. Czech Republic

The Czech Republic has not set a target date for the adoption of the euro. The government adopted the first version of the National Euro Changeover Plan on 11 April 2007. On 29 August 2007, an update of the Czech Republic's Euro-area Accession Strategy was approved by the government. It is a joint document by the Czech government and the Czech National Bank. It deals with the capacity of the Czech economy to function in the euro area and discusses the economic policy challenges and prospects for the Czech Republic.

Since 2004, the Ministry of Finance and the Czech National Bank have been issuing regularly the 'Assessment of the Fulfillment of the Maastricht Convergence Criteria and the Degree of Economic Alignment of the Czech Republic with the Euro Area'. The latest edition of this Assessment was approved by the Government on 19 December 2007. Based on the conclusions of this exercise, it was decided that the Czech Republic should not join ERM II in 2008.

The Government has agreed that the technical preparations and preparations for the information campaign should be carried on even in the absence of a changeover target date. The preparatory works for the update of the National Changeover Plan were launched in the second half of 2007. It was decided to publish only a progress report to the National Changeover Plan, adopted by the Government of the Czech Republic on 9 April 2008. The document provides an overview of the practical preparations for the changeover carried out by the National Coordination Group for Euro Adoption in the year 2007 (e.g. the publication of guidelines on rounding and smoothing of prices, the adoption of the timetable and guidelines for the 'umbrella law', an evaluation of budgetary costs due to smoothing of payments to/receipts from citizens). The Report also provides an overview of the activities planned for 2008-2009.

Furthermore, a new euro related website www.zavedenieura.cz has been created and introduced to the general public on 1st March 2008.

2.3. Estonia

The first version of the euro adoption plan was approved by the Estonian government on 1 September 2005. The sixth version was adopted on 29 November 2007 and is very close to the previous one. The National Communication Strategy was endorsed by the National Changeover Committee on 21 June 2005 and updated on 18 May 2006. The website www.euro.eesti.ee was launched in January 2006. The European Commission prolonged in February 2008 its Partnership Agreement with Estonia for the communication on the euro.

2.4. Latvia

As already mentioned in the '6th Report on the Practical Preparations for the Enlargement of the Euro Area', the government of Latvia has dropped a reference to the specific target date for euro introduction in the September 2007 update of the National Euro Changeover Plan. The annexed Action Plan has been divided into two parts: the first part contains the preparatory activities which are not directly linked to the target date (e.g. communication activities, adjustments of legislation, etc.) while the second part contains the measures to be taken once the target date is set.

On 18 March 2008, the government approved the 9th Report of the Euro Project Steering Committee summarizing the activities carried out between 1 August 2007 and 31 January 2008. During this period, the Committee decided to re-launch the survey on the impact of the euro introduction on Latvia's citizens and carried out an initial euro project risk analysis. The Committee also studied the country's compliance with the convergence criteria and it concluded that Latvia will not be able to meet them in the next three years. As a consequence, the Committee decided there was no need to update the Action Plan in 2008.

The 'Communication Strategy for the Euro Changeover in Latvia' was approved by the Steering Committee on 12 April 2006. Updated information on the euro changeover process is available on the website of the Ministry of Finance (www.bank.lv/lat/main/euro/sapinfo/eiro). In 2007 a national logo for the euro introduction was chosen. With the support of the European Commission, a Twinning Programme has been set up with the Belgian authorities with a view to exchanging information and expertise. Latvian Euro Project Manager visited Cyprus in March 2008 in view of exchanging good practices on euro communication campaign. Similar meetings with the authorities of the other new euro area Member States are planned for this year.

2.5. Lithuania

The National Committee for the Coordination of the Changeover was established on 30 May 2005. The national changeover plan was approved by the government on 29 September 2005 and updated on 25 April 2007. This new version of the plan does not foresee any specific target date for the adoption of the euro². It provides for longer period of dual display of prices (120 days before and after €day) and an earlier start of the frontloading to commercial banks (before 1 December).

The second version of the 'Public information and communication strategy on the adoption of the euro of Lithuania' was approved by the government on 25 April 2007. A national website (www.euro.lt) provides up to date information on the euro. The European Commission and the Lithuanian authorities prolonged in February 2008 their Partnership Agreement, providing for a cooperation and exchange of expertise. Under the Partnership Agreement the European Commission printed approximately 1.5 million copies of brochures on the euro and its history and on the euro introduction in Lithuania. The brochures were distributed to households in early 2008.

2.6. Hungary

Hungary has not set a target date for the adoption of the euro. The National Euro Coordination Committee (NECC) was set on 12 September 2007. It is chaired by the Minister of Finance and co-chaired by the Governor of the Central Bank of Hungary. The Committee reports on its activities and on the progress made in technical preparations for the changeover to the government twice a year. The report to the respective committees of the Parliament is submitted once per year. The first version of the national changeover plan prepared by the NECC shall be submitted for government's approval in 2008.

² Lithuania envisaged adopting the euro in 2007. The Commission adopted the decision that Lithuania did not fulfil all convergence criteria on 16 May 2006. As a consequence, Lithuania's derogation was not lifted.

A Communication Committee, working under the NECC, met for the first time on 7 February 2008. It should coordinate the communication activities on the euro and draft a chapter on communication for the national changeover plan.

2.7. Poland

Poland has not set a target date for the adoption of the euro. The Bureau for the Integration with the Euro Area established by the National Bank of Poland is preparing a report on Poland's membership in the euro area which should be finalised by the end of 2008. The report should notably define the optimal economic conditions for the adoption of the euro in Poland and provide guidance for future decisions on this matter.

There is no national communication strategy for the euro introduction. The National Bank of Poland has launched a website on euro related issues (www.euro.nbportal.pl) in December 2006. The Bank participates actively in debates with the media and specific target groups and has its own communication strategy on the euro.

2.8. Romania

Romania has set 2014 as its target year for the adoption of the euro. For the time being, Romania prefers a changeover with a transition period rather than a 'big bang scenario'. The envisaged length of the dual circulation period is 2 months. A detailed national cash changeover plan should be elaborated in 2009.

Romania has not yet developed a national communication strategy for the euro introduction.

2.9. Sweden

In Sweden, preparations were stalled in practice by the negative outcome of the referendum of 14 September 2003. Sweden has no target date for adopting the euro.

3. STATE OF PUBLIC OPINION

Since 2004, the European Commission makes Eurobarometer surveys on the public opinion in the recently acceded Member States concerning their attitudes towards and knowledge about the introduction of the euro. Gallup Europe carried out this survey on 5-9 May 2008. It was the seventh Eurobarometer survey of this kind. The surveyed population changed in the past months: Slovenia as well as Malta and Cyprus are no longer covered as these countries adopted the euro in 2007 and 2008, respectively. Bulgaria and Romania are included since 2007. In total, over 9,000 randomly selected citizens were interviewed.

3.1. Perceptions of and support for the single European currency

Since April 2006, the support for the euro has stabilised at a rather high level even though the average support slightly declined in spring 2008 compared to autumn 2007. Citizens in the recently acceded Member States are prepared – at least mentally – to have their currency replaced by the euro: 47% are very or quite happy about a future changeover, which is essentially unchanged to autumn 2007 (46% in EU-9) and comparable to the survey results of April 2007 (48%) and September 2006 (47%) albeit with other countries. The support notably increased by 5-8 percentage points in all three Baltic countries. On balance, the support

increased in four, remained unchanged in two and decreased in three countries compared to the previous survey.

In line with the results of the past years, citizens in the nine countries expect that the advantages will be somewhat more positive for their country than for themselves even though this differentiation seems to fade away. Some 50% think that the introduction will have quite or very positive effect (compared to 49% in autumn 2007) for the country (on a personal level, it is 47% (+3)). Very negative expectations remained on a low level. An unchanged share of 26% would like the euro to become their currency as soon as possible. Overall, the results remained very close to those of the last survey.

3.2. Familiarity and knowledge about the euro

When comparing the same nine countries, the recent results of the questions on familiarity and knowledge generally do not show any major changes relative to the autumn survey. Respondents were relatively familiar with the common currency: 82% have already seen euro banknotes (previously 80%) of which 65% (previously 62%) have already used them, and 74% (relative to previously 76%) have already seen euro coins of which 63% (+2) have used them. The usage of euro banknotes and coins was as usual particularly high in the Czech Republic and Romania.

In addition to these practical aspects, the survey tested the respondents' knowledge of the euro's general features. A growing majority of respondents was aware that the design of banknotes is the same in all countries (52% relative to previously 45%) while more or less the same share of people knew about the partly different designs of the euro coins (36% compared to 37% in autumn 2007). The membership of Slovenia, Malta and Cyprus in the euro area is still relatively little known. Only 28% of the interviewees were able to give the correct answer that the euro area had 15 Member States (compared to 34% in autumn 2007 knowing about 13 Members) while 25% admitted not to know (compared to 19% in autumn 2007). A persistent majority of citizens (65%, previously 64%) in the surveyed countries wrongly believes that their country has the possibility to decide whether it will adopt the euro or not.

Regarding the expected date of introduction of the euro, the results show a continued shift since 2006, corresponding to actual developments. An overwhelming majority in Slovakia expects euro adoption in 2009 (94% compared to 86%). The absence of the national target dates produced in all other countries very diverging expectations reflecting the high degree of uncertainty. Surprisingly, 42% Bulgarians expect euro adoption in the period 2009-2010 which is not feasible

3.3. Expectations and fears regarding the adoption of the euro

The May results broadly confirm previous surveys as regards the citizens' expectations on the euro. In general there is a broad consensus in the recently acceded Member States that the euro is an international currency (78% v-a-v previously 75%) and that there are several benefits associated with their country's adoption of the euro, most notably easier travelling (94% compared to 91% in autumn 2007).

The questionnaire was changed in 2007 to differentiate more clearly between short-term, one-off changeover effects and medium- and long-term expectations on prices. While in September 2006 only 28% stated that the euro will help to maintain price stability, 51% (54%

in the autumn 2007 survey) identified in September as one of the main advantages of the euro to ensure low inflation rates. On the other hand, the fears regarding the changeover period prevail even though the situation improved: 71% thought that the euro will increase prices which is some 8 percentage points lower than in autumn 2007.

Regarding the euro's economic or political effects, a majority of respondents acknowledges that the adoption of the euro has positive effects. The expectations are higher in the area of public finances (47%, +3). A stable 44% has a positive view about the impact on growth and employment. Respondents remain the least convinced about the impact on interest rates and debt charges (35%, unchanged).

3.4. Information and information channels

The results of the spring 2008 survey reveal a slight decrease in the perceived information level on average. Some 40% of the respondents felt rather or very well informed (42% in autumn 2007) while 59% (+2) thought the opposite. This is due to the rather steep decrease in the level of perceived information in Poland (-7) and Hungary (-3). The situation improved strongly in Slovakia, which now has the highest level of all countries covered by the survey (64% felt very or rather well informed, +17 percentage points) and reflects the impact of the intensifying national campaign for the euro introduction in 2009.

Overall, the demand for information seems to be far from satisfied for the time being and increases the closer the adoption date. In May 2008, 37% stated to desire information as soon as possible compared to 30% previously. The strongest increases in immediate information need were noted in Slovakia (+9) and in Poland (+7),

As in all past surveys, the national central banks are the most trusted source of information: an average of 78.5% (autumn 2007: 80%) thought so. The European institutions were again perceived as the second most trusted source (results being slightly lower than in autumn 2007: 70% compared to 72%). The survey results on channels and content have been rather stable over time and have not shown a noticeable variation. Most respondents continued to prefer mass media and banks as channels of information and were mainly interested in the practical information on the euro introduction, e.g. the value of the euro (92%), the changeover scenario (90%), the practical implications (88%), how to ensure that conversions rules are respected (87%). The results also show that people deem important the same issues as in previous changeovers. The survey confirmed once more that a dual display of prices is considered essential in preparing for the changeover, both in shops (84%) and on the utility bills (78%).

ANNEX 1

Overview on how the countries meet the provisions of the Commission Recommendation of 10 January 2008 on measures to facilitate future changeovers to the euro (2008/78/EC). It is solely based on publicly available information and may therefore not reflect all preparations which are under way.

	BG	CZ	EE	LV	LT	HU	PL	RO	SK	SE
Article 1: Steering and organisation										
Set up of appropriate national coordination structures										
National changeover plan:			X	X	X				X	
1. Prepared										
2. Discussed with economic operators		X	X	X	X				X	
3. Regularly updated			X	X	X				X	
Article 2: Facilitating preparation of citizens										
Dual display of prices in national law		X	X	X	X				X	
Separate display of any charges imposed by businesses before € day										
Prohibition of using other rate than the official conversion rate										
Min. 6 months long dual display after € day			X	X	X				X	
Max 1 year long dual display after € day				X					X	
Citizens informed about security features of euro cash										
Special info programmes for vulnerable groups			X	X	X				X	
Training sessions for personnel working with cash/in direct contact with public										
1. By public administration			X	X					X	
2. By businesses									X	

	BG	CZ	EE	LV	LT	HU	PL	RO	SK	SE
Recurrent practical trainings for visually impaired									X	
Provision of information to SMEs by:										
1.Public administration bodies and									X	
2.Professional associations, chambers of commerce, business advisors									X	
Provision of information by credit institutions to their customers									X	
Monitoring of preparations through surveys			X	X	X				X	
Article 3: Ensuring a quick introduction of euro cash										
Dishoarding campaign for citizens			X		X				X	
Appropriate levels of:										
1. Frontloading										
2. Sub-frontloading										
Euro coin kits for retailers										
Financially attractive differed debiting offered					X				X	
Mini coin kits for citizens:										
1. Production envisaged									X	
2. At least 1 kit per family										
ATMs adapted as of €day			X	X	X				X	
Temporary closure of ATMs impossible to adapt for technical									X	
Supply of ATMs with small denomination notes before and after €day			X		X				X	

	BG	CZ	EE	LV	LT	HU	PL	RO	SK	SE
Giving of change in € only in sales outlets as of €day			X		X				X	
Ad-hoc measures due to increased cash volume in sales outlets									X	
POS terminals switched to € as of €day			X		X				X	
Consumers encouraged to use electronic payments means									X	
Extra opening days in credit institutions around €day									X	
Extended opening hours in credit institutions around €day									X	
Article 4: Preventive abusive practices and wrong perceptions on price evolutions										
Agreements on neutral impact of changeover on prices (e.g. Ethical Code)				X	X				X	
Logo to identify the subscribers									X	
Advertisement for the logo									X	
Close monitoring of compliance with commitments by subscribers										
Dissuasive measures for non-compliance with the Code										
Monitoring of prices from the adoption of conversion rate until end of dual display			X	X	X				X	
Weekly information on evolution of prices around € day									X	
Alignment of bank charges for payments in € with the ones for payments in national currency before €day									X	

ANNEX 2

State of practical preparations (June 2008)

	Bulgaria	Czech Republic
Changeover plan		
National target date for euro adoption		The preliminary target date (1 January 2010) was withdrawn by the government on 25 October 2006. The Czech Republic's Updated Euro-area Accession Strategy (approved by the Czech government on 29 August 2007) does not set any target date.
National co-ordinating institution		The National Co-ordination Group was established and held its first meeting on 20 February 2006. Six Working Groups were established for particular areas of preparatory activity for the euro. On 28 March 2007, a new National Co-ordinator for Euro Adoption was appointed by the Czech government.
(Approved) National Changeover Plan		<p>The Czech Republic's Euro Accession Strategy was approved by the Government in October 2003: http://www.cnb.cz/www.cnb.cz/en/monetary_policy/strategic_documents/download/en_eurostrategie_09_2003.pdf.</p> <p>An updated version was approved by the Czech government in August 2007: http://www.cnb.cz/www.cnb.cz/en/monetary_policy/strategic_documents/download/eurostrategie_070829.pdf.</p> <p>The Institutional Arrangements for the Introduction of the Euro in the Czech Republic were adopted by the Government on 23 November 2005.</p> <p>The first National Changeover Plan was approved by the Czech government on 11 April 2007. It was published in hardcopy, in both English and Czech versions. http://www.mfcr.cz/cps/rde/xbcr/mfcr/NP_EN_06-08-07.pdf</p> <p>Progress Report to the National Changeover Plan was approved on 9 April 2008 by the Czech Government. http://www.zavedenieura.cz/cps/rde/xchg/euro/xsl/dokumenty_185.html</p>

	Bulgaria	Czech Republic
Changeover details		
Type of scenario		"Big bang". On 30 June 2006, the National Co-ordination Group adopted a recommendation to the government concerning the changeover scenario, suggesting that it opt for the "big bang" scenario. The recommendation was approved by the government on 25 October 2006.
Dual circulation period		The length of this period is intended to be 2 full calendar weeks as from €day.
Exchange of national banknotes and coins		The Czech National Bank, commercial banks and other selected entities will exchange cash for at least 6 months after €day. After the 6 months period, the legacy currency will be only exchangeable at the Czech National Bank. The length of the banknote exchange period has still to be decided; coins will be exchangeable for a period of 5 years.
Campaign for rapid withdrawal of national banknotes and coins		
Frontloading and sub-frontloading		Frontloading of banks will start 3 months ahead of € day and sub-frontloading of the non-financial sector will start one month ahead.
ATMs issuing euro only		
Change in euro only		
Dual display of prices		Dual display of prices will be introduced within one month after the fixing of the conversion rate and will continue for 12 months after the changeover date.
Consumer confidence building measures (e.g. agreements with retailers)		A voluntary commitment of retailers (fair-pricing agreement) is planned. In addition, a 'memorandum of understanding', to be signed by the retail and services sector and the consumer protection associations, is envisaged. These measures are planned to be implemented no later than one month after the fixing of the conversion rate.
Adaptation of national law		The necessary adaptations of national law for the introduction of the euro are being analysed in the framework of the Working Group for Legislation of the National Co-ordination Group. A special group was constituted in order to prepare the General Act on the Euro Introduction in the Czech Republic.
Euro banknotes and coins		
Design of the national side		Competition under consideration.

	Bulgaria	Czech Republic
Nr of different coin designs		
Coin supplier		Not decided yet. The current coin supplier, the Czech Mint, is an independent division of Jablonex Group a.s.; the Czech Mint is connected with the National Bank by business contracts based on tender procedures.
Estimation on the need for banknotes and coins		230 million banknotes and 950 million coins.
Communication activities		
Communication strategy		Under preparation within the framework of the Working Group for Communication.
Addresses of websites on euro changeover, activation date: Government/Ministry of Finance; Central Bank		Governmental EU information department: http://www.euroskop.cz/euro Ministry of Finance: http:// www.mfcr.cz/euro New euro website was created: http:// www.zavedenieura.cz Czech National Bank: http://www.cnb.cz/en/international_relations/euro/ Ministry of Industry and Trade: http://www.mpo.cz/cz/eu-a-vnitni-trh/euro-pristoupeni-cr-k-eurozone/default.html
Partnership agreement		
Other issues		The leaflet “Preparations of the Czech Republic for the euro adoption” was printed and distributed nation-wide. The conference “The euro – our future currency” was held in October 2007 in Prague.
ERM II entry		
Twinning agreement		Project with the National Bank of Belgium, Czech Ministry of Finance and the Czech National Bank started in September 2007. Three meeting have been held so far in Brussels and Prague. .

State of practical preparations (June 2008)

	Estonia	Latvia
Changeover plan		
National target date for euro adoption	Estonia targets euro area membership as soon as possible (2011 being the earliest possible envisaged date according to current inflation forecasts).	The government has approved the euro implementation perspective, undertaking to set the target date for the euro implementation day at least 24 months prior to the expected implementation day, based on the outlook for Latvia's convergence programme regarding the fulfilment of the Maastricht criteria. Therefore the target date is defined as the euro implementation day. (http://www.mk.gov.lv/lv/mk/tap/?pid=30308178&mode=mk&date=2007-09-25).
National co-ordinating institution	The National Changeover Committee, chaired by the Secretary General of the Ministry of Finance, was set up on 27 January 2005.	The Steering Committee for the preparation and co-ordination of the euro changeover was established on 18 July 2005.
(Approved) National Changeover Plan	<p>The first draft of the euro adoption plan was approved by the government on 1 September 2005: http://www.fin.ee/index.php?id=13324.</p> <p>The sixth version of Estonia's National Changeover Plan was approved on 29 November 2007: http://euro.eesti.ee/EU/Prod/Euroveeb/Main_Page/1eft_menu_content4748/Changeover_to_the_euro_in_Estonia/europlaan_en.jsp</p>	<p>The Cabinet of Ministers of the Republic of Latvia approved the Action Plan for Implementation of the Single European Currency on 1 November 2005, and the first version of Latvia's National Euro Changeover Plan on 28 February 2006 (Decree No 148, 6 March 2006). On 25 September 2007 the Cabinet of Ministers approved the updated version of "Latvia's National Euro Changeover Plan" and Appendix No 1 "Action Plan for the Introduction of the Single European Currency in Latvia" (Decree No 617, 8 October 2007).</p> <p>In the Action Plan, all activities are divided into two groups:</p> <ul style="list-style-type: none"> – Activities that are not directly related to the target date; – Activities that are directly related to the euro implementation day (with the maximum starting time of 24 months before the euro implementation day).
Changeover details		
Type of scenario	"Big bang"	"Big bang"
Dual circulation period	Two weeks	One month
Exchange of national banknotes and coins	Banknotes and coins: commercial banks at least 6 months after €day free of charge, some branches 12 months. Central Bank indefinitely, free of charge.	Commercial banks, currency exchange offices and post offices for 6 months after the euro implementation day free of charge; the Bank of Latvia will exchange without time limit free of charge.
Campaign for rapid withdrawal of national banknotes and coins	Campaign for collection of coins before €day planned; credit institutions are recommended to launch early cash deposit campaigns.	Not envisaged due to the high nominal value of coins in Latvia and their intensive use in day-to-day payments.

	Estonia	Latvia
Frontloading and sub-frontloading	Frontloading 2 months before €day; sub-frontloading by credit institutions to major clients 1 month before €day (precondition: no distribution to general public before €day). Banks will offer to change kroons into euro banknotes at the conversion rate and without a service fee at least one month prior to €day.	Frontloading to banks starts one month before the euro implementation day (1 December), sub-frontloading two weeks before €day (15 December) - (precondition: euro banknotes and coins may not be publicly circulated before the euro implementation day).
ATMs issuing euro only	All ATMs will dispense euro only within 48h as of €day.	As from the euro implementation day ATMs will dispense euro banknotes only.
Change in euro only	In general, change will be given in euro, but the option of giving change in kroon remains for the dual circulation period.	After the end of the dual circulation period.
Dual display of prices	Compulsory: 6 months before and after €day.	Compulsory for three months before the euro implementation day until one year after the euro implementation day.
Consumer confidence building measures (e.g. agreements with retailers)	Monitoring of the prices of certain frequently purchased goods and services under the supervision of the Ministry of Economic Affairs and Communication. Leaflets containing information on the euro were made available to the public in summer 2006.	Monitoring of price developments in the retail trade, verification of the accuracy of price displays and 'fair trader' campaign envisaged.
Adaptation of national law	Draft Act on the Introduction of the Euro ('umbrella law') and draft amendments to the Business Code are in the final stage of inter-ministerial consultation.	'Umbrella law' on basic provisions for the euro changeover in Latvia is currently being prepared. All ministries are involved in reviewing national legislation to identify the necessary amendments and new legislation required.
Euro banknotes and coins		
Design of the national side	Design selected and published in December 2004.	In process.
Nr of different coin designs	One design	Three designs.
Coin supplier	Following a call for tender, coins will be minted by the Mint of Finland.	Coins will be minted abroad following a call for tender.
Estimation on the need for banknotes and coins	200-250 million coins	87 million banknotes and 300 million coins.
Communication activities		
Communication strategy	Endorsed by the National Changeover Committee on 21 June 2005 and updated on 18 May 2006.	'Communication strategy for the euro changeover in Latvia' approved by the Steering Committee of Latvia's euro implementation project on 12 April 2006.

	Estonia	Latvia
Addresses of websites on euro changeover, activation date: Government/Ministry of Finance; Central Bank	www.euro.eesti.ee launched in January 2006.	Planned euro changeover website: www.euro.lv . A working group has been set up to develop the concept of this site. The tender for creating the euro changeover website has been initiated. Updated information on the euro changeover process is available on the website of the Ministry of Finance: http://www.fm.gov.lv/page.php?id=105 .
Partnership agreement	Signed 8 November 2005.	
Other issues		
ERM II entry	28 June 2004	2 May 2005
Twinning agreement		The Twinning Agreement between BE and LV Reference: Project Proposal ECFIN 4876 dated 18 December 2007.

State of practical preparations (June 2008)

	Lithuania	Hungary
Changeover plan		
National target date for euro adoption	The specific target date has not been set. According to the government, Lithuania will aim to join the euro area as soon as possible and the more favourable period for Lithuania to join the euro area starts from 2010.	The Convergence Programme of 1 December 2006 aims at meeting the Maastricht criteria (except for the ERM2 membership), in 2009. The government has not set a target date for the introduction of the euro.
National co-ordinating institution	Commission for the Co-ordination of the Adoption of the Euro in Lithuania, established on 30 May 2005.	The government decided on 12 September 2007 to set up the National Euro Coordination Committee. The key task of the Committee is to co-ordinate practical preparations for the changeover. The Committee is chaired by the Minister of Finance and co-chaired by the Governor of Magyar Nemzeti Bank. The Committee is composed of the Minister of Economy and Transport, the Minister of Justice and Security, the Minister of Local Governance and Regional Development, the Minister in charge of Prime Ministers' Office and the Presidents of the Central Statistical Office and the Hungarian Financial Supervisory Authority. The Committee shall report on its activities and the progress made in technical preparations for the changeover at to the government at biannual basis and annually to the respective committees of the Hungarian Parliament
(Approved) National Changeover Plan	The second version of the National Changeover Plan was approved by the government on 25 April 2007 and published:	The first version of the National Changeover Plan is under preparation by the National Euro Coordination Committee. It is expected to be approved by the Government in 2008.
Changeover details		
Type of scenario	"Big bang".	"Big bang".
Dual circulation period	15 days.	It is under review.
Exchange of national banknotes and coins	Commercial banks: free of charge for 60 days after € day. Central bank: free of charge for an unlimited period.	It is under review.
Campaign for rapid withdrawal of national banknotes and coins	Consumers will be encouraged to deposit cash with banks as early as possible.	
Frontloading and sub-frontloading	Frontloading of euro banknotes to commercial banks one month before €day at the latest and of euro coins three months before €day at the latest. Sub-frontloading of euro banknotes and coins to retailers during the last month before €day.	

	Lithuania	Hungary
ATMs issuing euro only	As from €day ATMs will dispense euro banknotes.	
Change in euro only	Recommendation to give change in euro only.	
Dual display of prices	Compulsory: 120 calendar days before €day until 120 days after €day; voluntary: recommendation to use dual display as early as possible after the fixing of the conversion rate.	
Consumer confidence building measures (e.g. agreements with retailers)	Business organisations will be encouraged to adopt a 'Code of Good Business Practice' (on correct conversion, no price increases etc.); enterprises committing themselves will be authorised to use the special logo of the Code.	
Adaptation of national law	A Law on the Adoption of the Euro has been prepared (rules on conversion and exchange of litas to the euro, withdrawal of litas from circulation, dual display of prices, presentation of designs of notes and Lithuanian coins, redenomination of securities, etc.). The law will be adopted once the decision to lift the derogation is taken. All existing legal acts that need to be adapted with a view to euro adoption were identified by December 2005.	
Euro banknotes and coins		
Design of the national side	Approved	
Nr of different coin designs	Three designs	
Coin supplier	Lithuanian Mint	It is under review.
Estimation on the need for banknotes and coins	Estimation of 118 million banknotes and 290 million coins has been made on the condition that the euro will be introduced on 1 January 2007.	It is under review.
Communication activities		
Communication strategy	The 'Public information and communication strategy on the adoption of the euro of Lithuania' was approved by the government on 29 September 2005. The second version was approved by the government on 25 April 2007 and published on the web: http://www.euro.lt/documents/2007%2004%2025%20Vi-suomenes%20informavimo%20strategija_EN.doc	

	Lithuania	Hungary
Addresses of websites on euro changeover, activation date: Ministry of Finance/Government; Central Bank	National euro website (www.euro.lt). Constantly updated Websites of the Bank of Lithuania (www.lb.lt) and of the Ministry of Finance (www.finmin.lt).	National euro website (www.euro.mnb.hu) activated in December 2006.
Partnership agreement	Signed on 8 November 2005. Extension signed on 5 February 2008.	
Other issues		
ERM II entry	28 June 2004	
Twinning agreement	Completed three Twinning agreements: NL – SI – LT: communication and information strategy; BE – LT on tax-related questions; BE – LT on departmental management related to the changeover.	Between AT and HU: communication and information strategy (finalised)

State of practical preparations (June 2008)

	Poland	Romania
Changeover plan		
National target date for euro adoption		2014
National co-ordinating institution	<p>Inter-institutional working group between the Ministry of Finance and the National Bank of Poland.</p> <p><i>Note:</i> The National Bank has established the 'Bureau for the Integration with the Euro Area', the main task of which is to prepare a report on Poland's membership in the euro area. The report, which is planned to be finalised by the end of 2008, will notably define the optimal conditions for the adoption of the euro in Poland and provide guidance for decisions taken in the process of the adoption of the euro.</p>	
(Approved) National Changeover Plan		
Changeover details		
Type of scenario		Transitional period envisaged
Dual circulation period		2 months
Exchange of national banknotes and coins		Indefinitely
Campaign for rapid withdrawal of national banknotes and coins		
Frontloading and sub-frontloading		
ATMs issuing euro only		
Change in euro only		
Dual display of prices		
Consumer confidence building measures (e.g. agreements with retailers)		

	Poland	Romania
Adaptation of national law		
Euro banknotes and coins		
Design of the national side	Public survey	
Nr of different coin designs		
Coin supplier		
Estimation on the need for banknotes and coins	Between 4 and 5 billion coins.	
Communication activities		
Communication strategy	No National strategy, only the communication strategy of the National Bank of Poland.	
Addresses of websites on euro changeover, activation date: Government/Ministry of Finance; Central Bank	www.euro.nbportal.pl launched in December 2006	
Partnership agreement		
Other issues		
ERM II entry		
Twinning agreement	DE – PL: Communication and information strategy and other practical changeover issues.	

State of practical preparations (June 2008)

	Slovakia	Sweden
Changeover plan		
National target date for euro adoption	1 January 2009	Not decided.
National co-ordinating institution	The National Coordination Committee is the supreme managing and coordination body preparing the euro changeover. It is chaired by the Minister of Finance (being the National Coordinator for the changeover) and the Governor of the Bank of Slovakia. A new Plenipotentiary of the government for the introduction of the euro was nominated in January 2007.	
(Approved) National Changeover Plan	<p>The first version of the National Changeover Plan was approved on 6 July 2005.</p> <p>http://www.nbs.sk/EURINT/EURO/NP_AKT.PDF (Slovak)</p> <p>Two updates followed in March 2007 and April 2008:</p> <p>http://www.nbs.sk/ZAKLNBS/PUBLIK/BROZURY/NARPLANA.PDF (English).</p> <p>http://www.nbs.sk/MEDZINAR/EU/NP_0804.PDF</p>	
Changeover details		
Type of scenario	"Big bang"	
Dual circulation period	16 days	
Exchange of national banknotes and coins	Commercial banks exchange banknotes until end 2009 and coins until June 2009 (free of charge). The Central Bank exchanges banknotes without time limit and coins for 5 years.	
Campaign for rapid withdrawal of national banknotes and coins	Dishoarding campaign for general public shall be launched in July 2008.	
Frontloading and sub-frontloading	Commercial banks will be frontloaded with euro coins from September 2008 and with euro banknotes October 2008. The sub-frontloading of the retail sector will take place in November to December 2008.	
ATMs issuing euro only	As of €day ATMs will dispense euro only.	
Change in euro only	Change should be given in euro only.	

	Slovakia	Sweden
Dual display of prices	Compulsory: from one month after the fixing of the conversion rate to one year after euro adoption. Voluntary: for further 6 months.	
Consumer confidence building measures (e.g. agreements with retailers)	Evolution of prices in 2008 and 2009 will be closely monitored; consumers will be informed of the results; consumers can raise complaints with supervisory bodies (mainly the Slovak Trade Inspection, the Ministry of Economy and the consumer associations); voluntary 'Ethical Code' has been launched by the Government Plenipotentiary; the statistical monitoring of prices and price perceptions will be done by the Slovak Statistical Office- as of June 2008 it will publish the reports every 10 days;	
Adaptation of national law	The 'umbrella law' on the introduction of the euro was approved by the government on 26 September 2007 and entered into force on 1 January 2008, following the approval by the Parliament. The necessary amendments to existing legislation have been identified by January 2006 and are envisaged to be adopted in 2008 at the latest.	
Euro banknotes and coins		
Design of the national side	Final design of the national side for the euro coins was chosen by public tender followed by an opinion poll.	
Nr of different coin designs	Three designs	
Coin supplier	National Mint of Kremnica	
Estimation on the need for banknotes and coins	188 million banknotes, 500 million coins.	
Communication activities		
Communication strategy	The final version of the Communication Strategy was approved by the Slovak authorities in October 2007.	
Addresses of websites on euro changeover, activation date: Government/Ministry of Finance; Central Bank	http://www.nbs.sk/MEDZINAR/EU/INDEXA.HTM http://www.finance.gov.sk/En/Default.aspx www.euro.gov.sk www.euromena.sk	
Partnership agreement	Partnership agreement with the EC signed in December 2007.	

	Slovakia	Sweden
Other issues		
ERM II entry	28 November 2005	
Twinning agreement	AT – SK: communication and information strategy (finalised); BE – SK: technical issues related to the changeover (finalised).	